In the winter of 2020, as the Academy of Motion Pictures crowned *Parasite*, Bong Joon-ho’s dark take on social inequality and class war in South Korea, with the Oscar for Best Picture and Best International Feature, the infrastructure of globalization was facilitating the spread of COVID-19: the virus was making its way across the world from Wuhan, a once gritty industrial city in the heart of the People’s Republic of China. In a globalized film industry, *Parasite*’s Best Picture win marked the arrival of not only South Korean, but East Asian cinema on the global scene. Bong has always been obsessed with capturing the extent to which elites will go to maintain their “privileges” (think of his 2016 zombie film, *Train to Busan*), but the cinematic quality of *Parasite* and Hollywood’s newfound awareness of its need to look beyond the United States for quality cinema allowed an edgy South Korean genre film to win big. *Parasite* dramatizes the relationship between two families—one working-class, and the other the corporate elites whose father seems to be a Korean avatar for Thomas Piketty’s class of supermanagers.1 We aren’t clear what Mr. Park does for a living, but we know he is well paid for being connected to a world of high rises and global finance. Residing in a beautifully designed and perfectly appointed modernist home, the Parks are careless and charming. They allow themselves to be seduced and invaded by the Kims, an enterprising, grifting, working-class family who live in a fetid basement apartment, built with
the same clerestory windows, and with a similar aspect ratio to Cinemascope framing, as the windows in the modernist masterpiece in which the Parks live: the Kims’ high and horizontal windows look out onto the gutter where people urinate and throw their garbage. The Parks’ beautifully proportioned windows look out onto their beautifully manicured lawn. The Kims’ struggle to survive is played as Chaplinesque, little-guy slapstick, but as the story progresses, Bong’s film turns from drama to horror. It is, however, with the working-class protagonists that the viewer identifies.

In the late 1980s, Taiwanese filmmaker Hou Hsiao-hsien broke through the military dictatorship’s censorship of Taiwanese history by making A City of Sadness (1989), an elliptical rendering of the White Terror and the February 28, 1947 massacre of leftists and communist sympathizers that took place on the island before the Kuomintang were forced to retreat in 1949 when Mao’s Red Army expelled Chiang Kai-shek’s troops from the mainland. The early days of Taiwanese cinema were heavily subsidized by the national film board, but a new cadre of bureaucrats in the government, and a generation of filmmakers like Hou who were exposed to the European New Wave, took realist cinema as their aesthetic and ideological tool to recast and rebuild Taiwanese identity and a sense of Taiwanese history. Drawing on a rich tradition of Taiwanese filmmaking, Huang Hsin-yao’s The Great Buddha+ (2017), like Parasite, moves into genre film to deal with the absurdity and corruption of contemporary Taiwan. Huang uses dark physical comedy to put a spotlight on the lives of Taiwan’s most marginal people, Belly Button and Pickle, a garbage picker and a night watchman.

They eat processed foods that have exceeded their sell-by dates while local politicians and artist/entrepreneurs frolic half-naked in Roman baths, entertained by a live, sweating band and frolicking, bikini-clad women. The rich and powerful abuse their power and other people with utter nonchalance, and they use Buddhism as a fig leaf for their lust, gluttony, greed, and sadism. In both Parasite and The Great Buddha+, the protagonists are working-class and the working poor. These two films represent a class consciousness that seems to be more and more intense among East Asian intellectuals, artists, and filmmakers. Bong and Huang have contempt for South Korean and Taiwanese elite fetishism of American culture and the English language. The Parks hire the Kim’s son as an English tutor (with fake credentials) for their daughter, and Belly Button and Pickle admire their boss’s American name, “Kevin.” The two men dream of making it big one day by being able to adopt American names as well, which for Belly Button and Pickle signify not only wealth but power and sophistication. The two men represent the large proportion of the Taiwanese population who subsist on low or no wages in an advanced, industrialized economy.
Huang did not win an Oscar for his dark comedy, but Taiwan attracted global attention in 2020 because of the efficiency with which it contained the spread of COVID-19, the novel coronavirus that has wreaked havoc on global capitalism. Taiwan had seen seven virus deaths and under five hundred cases by summer 2020. Wuhan was locked down for seventy-three days to contain the spread of the virus, and the US has found itself the epicenter of viral contagion with, as of this writing, over 220,000 virus-related deaths and more than seven million cases of the disease, despite fragmented statewide lockdowns. Taiwan never locked down its economy and never saw uncontrolled community spread. Through early and quick state action and a combination of intensive testing and contact tracing using its National Health Insurance database, the spread of the virus was contained by a strong, functional, and vigilant state apparatus, the kind neoliberals, libertarians, and postmodern theorists condemn. Since the beginning of the Cold War in 1947, American soft and hard power worked to show that the uniquely American form of democracy and capitalism was simply more efficient and more just than any other system of political and economic organization. No sane human being would be capable of reaching that judgment today. Taiwan rejected the core of neoliberal, American-made austerity policies and the drive for smaller government: in maintaining its healthcare infrastructure, it has shown that an efficiently run, technocratic but not-for-profit form of national health insurance improves more than a country's public health, it reinforces public confidence in science and the government’s commitment to social welfare. In 2020, South Korea and Taiwan are unequal societies, but less unequal than the United States. Both countries dealt efficiently with the public health crisis caused by COVID-19. In the case of Taiwan, the containment of the virus has led right-wing China hawks to celebrate Taiwan as a capitalist model of freedom and democracy. In fact, it was Taiwanese socialized medicine that protected both the public health and economy of the island.
Taiwan socialized healthcare by adopting a single-payer health care system in 1995. National Health Insurance was put into place by the Kuomintang (KMT) in the face of the increasing popularity of their political challengers, the Democratic Progressive Party (DPP). The creation of the NHI in the 1990s, and its implementation in 1995, went against the grain of the ideology of globalization, public austerity, and private dynamism that characterized that decade. While Bill Clinton failed to pass his health care bill, Taiwan’s single-payer system of nationalized health care, based on the American Medicare and Canadian healthcare systems, was planned and implemented for a set of particular reasons examined quickly below. Taiwan had seen a period of strong economic growth. Its health insurance system was actually a patchwork of public insurance schemes, covering groups such as farmers, low-income government employees, and factory workers. This patchwork system left over half of the country uninsured. The KMT was committed to providing a social and public good, promoted by its increasingly powerful political rivals. After five years of study and research, the National Health Insurance system, financed by the government, employers, and the insured, depending on their level of income, was put into place in 1995, two years before the Asian Financial crisis of 1997. National Health Insurance is a system like the one supported by Bernie Sanders. A single-payer health care system with low costs at the point of delivery, it would be dismissed as “socialism” by most of Taiwan’s center and right-wing supporters in Washington, DC. Today, NHI is embraced by the majority of Taiwanese as well-run and trustworthy.

In an op-ed for Time magazine written by the newly reelected progressive president of Taiwan, Tsai Ing-Wen spoke in lofty terms about Taiwanese “resilience” and national pride in calling the island nation uniquely capable of confronting hardship. Tsai’s skilled use of neoliberal watchwords like “resilience” in her appeal to Taiwanese nationalism and American readers ignored the National Health Insurance system that served public health exactly as it was meant to in the early days of the crisis. Tsai’s language also promoted a top-down vision of collective sacrifice and individual forbearance meant to discipline the Taiwanese, who before the pandemic were expressing discontentment and disappointment with growing inequality and stagnant wages. Tsai’s party, the Democratic Progressive Party, presented itself as a democratic and nationalist alternative to the conservative, People’s Republic of China-friendly Kuomintang, but its social and economic policies have not addressed a sense of malaise about inequality and a serious population crisis. In fact, Taiwan’s population is projected to continue to decline by about 4,000 people a month from January 2020. According to Taiwan’s own National Development Council, the island nation could see its population fall from today’s 23.6 million to 16 million by 2065 if the decline identified in 2020 continues unabated. In addition, Taiwanese wealth is still concentrated in the hands of a few oligarchic families. After the expansive economic growth of
the seventies, eighties, and nineties, social mobility has slowed even as Taiwan transitioned from a military dictatorship to a two-party political system.

Taiwan, however, can boast that its National Health Insurance is one of the most important social welfare safety nets in Asia. The NHI, however, does more than lower the share of GDP Taiwan spends to keep its residents healthy. While wages remained stagnant over the ensuing decades, Taiwan was able to build a uniquely robust form of national health insurance. Tai-Yin Wu and Azeem Majid write in their article, “An Overview of the Healthcare System in Taiwan,” for the London Journal of Primary Care, that Taiwan’s NHI offers excellent comprehensive population coverage with good accessibility, “relatively low cost,” as well as “a nationally managed health insurance database for planning, monitoring, and evaluating health services.”

According to Wu and Majid, the NHI covers 99 percent of Taiwanese citizens, who are all issued a smart card that stores a brief medical history of the patient and allows health providers to bill the national insurance for services. Patient information is anonymized but open to big data analytics and location tracing in the case of emergencies.

After the first confirmed case of COVID-19 was discovered in Taiwan on January 19, 2020, the Taiwan Center for Disease Control, which had already been meeting for a month to prepare for a potential outbreak of a mysterious pneumonia that was being observed in Wuhan, put into place an interlocking system of contact tracing coordinated by National Health Insurance and government agencies. Contacting at-risk individuals who had had contact with positive cases of COVID-19 and supporting their fourteen-day quarantines were credited with early control of the spread of the virus. Taiwan’s high degree of preparedness and the existence of the NHI database facilitated Taiwan’s quick action. In fact, it was this database that was immediately mobilized. Within a day, “[t]he National Health Insurance database was synchronized with the National Immigration Agency information so that the government could contact and track individuals at high risk of contracting the virus.”

The functionality of NHI and its ability to provide excellent quality health care to Taiwanese citizens and residents also mitigated the explosion of fake news and conspiracy theories around the virus. A robust public health infrastructure created greater trust, not just in politicians, but in science and public policy applications of scientific findings. This is one of the most important political and social benefits of a national healthcare system. The International Journal of Infectious Diseases published an article analyzing Google searches using Google Trends to study search histories of the population in Taiwan in January of 2020. Public restlessness led to intensive on-line searches for information about the virus and mask-wearing, leading to panic buying and mask shortages. The NHI, with its ability to mobilize public and private healthcare providers, clinics, and pharmacies, allayed the panic buying of masks.
by announcing that NHI pharmacies would be distributing masks free of charge as of February 6, 2020. Panic buying ceased, as did the frequency of citizens looking online for information about mask-wearing.9

The Taiwanese government also provided a daily $30.00 USD food supplement and “frequent health checks and encouragement for anyone under quarantine.” Interventionist government policies lowered the stigma of being ill. The food supplement was explicitly aimed at helping working-class and poor Taiwanese deal with economic need: an across-the-board monetary grant encouraged working-class people who were sick to stay home instead of going to work. A robust public health infrastructure strengthens a sense of mutual trust and faith in civil society and government. The corrosive effects that inequality, lack of transparency, administrative neglect, and incompetence have on the body politic render a country like the United States uniquely ill-suited to deal with COVID-19. The NHI is an institution that has allowed Taiwanese people to have more faith in not just their public institutions and their leaders, but in science itself. Taiwan has a long way to go to redistribute its wealth and prioritize the well-being of its citizens along the Nordic model, and it has to deal with regional low-wage, high-extraction policies, but its National Health Insurance system has proven single-payer health insurance can not only protect a country from a seemingly uncontrollable and highly contagious virus, it can also help to maintain a country’s political health. Its model of socialized medicine allows us to imagine a technocratic state built not for the profit of its richest citizens, but for the health of its poorest ones.

From the point of view of US foreign policy, however, Taiwan represents a fantasy of a functional non-Communist Chinese alternative to China. Taiwan is the only Chinese-speaking liberal democracy on the planet. Cold War American support for the Kuomintang and its leader, Chiang Kai-shek, once fed anti-Communist dreams of reconquest of the mainland. That dream has become a historical curiosity: progressive, left-wing movements in Taiwan are now, strangely enough, anti-PRC and they promote Taiwanese national identity with a slight Sinophobic tint. Taiwanese progressives reject Chinese monoculture and celebrate the island’s “diversity” with language that mimics American liberal pluralism’s identity-politics affirmation of multiculturalism. With Hong Kong's colonial-era legal and governmental institutions increasingly threatened by the ambitions of the PRC, Taiwan's status as a prosperous independent state makes it an ideal pawn in a game of containment that American Cold Warriors and China “hands” love to play. These foreign policy “experts” still dream of “containing” Communism and “Red” China. It is no surprise that centrist and right-wing think-tankers have rushed to embrace Taiwan’s public health successes. Ryan Hass of the Brookings Institute praised Taiwan's social and political “resilience,” using President Tsai’s op-ed language without quoting her, and followed Tsai’s op-ed by “celebrating
technocratic competence” while ignoring Taiwan's effective single-payer health care system. The NHI is built by and run by competent technocrats, but it represents the kind of health care system that American elites, Republicans, and Democrats reject. Furthermore, American foreign policy praise for Taiwan almost always comes packaged in barely contained hostility toward the People’s Republic of China, and Taiwan’s ruling party is happy to live with that fact. Trump has used anti-Chinese sentiment to inflame his base in the 2020 presidential elections, but we should expect a different administration to continue Cold War strategies of fomenting division with the Sinophone world while trying to appear tough on global trade. Trump has embraced Taiwan's cause and singularity only fitfully. American trade wars with China have hurt the Taiwanese economy, which today is deeply tied to the fortunes of Chinese exports and manufacturing, especially in the case of 5G technologies.

For Cold Warriors, Taiwan represents the possibility of a hot war with the People's Republic. When Tsai Ing-wen was reelected as president by a landslide in January 2020, Marc Thiessen of the American Enterprise Institute wrote in the Washington Post that the United States should celebrate Taiwan's rejection of mainland Chinese policies. To support Tsai’s government, Thiessen suggested that the United States should deploy more medium-range missiles to East Asia, which it was now free to do after Trump had withdrawn the US from the Intermediate-Range Nuclear Forces (INF) Treaty with Russia. Thiessen's thirst for war is only thinly veiled: his strategy features the containment of the enemy by any means necessary. He suggests that the United States replicate Reagan's deployment of nuclear weapons against the USSR during the waning years of the Cold War, in the hopes that the People's Republic of China will either overspend on the military and cause domestic collapse (unlikely) or actually begin a hot war that the US will hope to win (terrifying for the region and the world).

The Dr. Strangeloves of China policy can certainly hypnotize some Americans with their war game fantasies that US foreign policy should be focused on destabilizing foreign governments in the name of democracy, but Hass and Thiessen are no friends of ordinary Chinese or Taiwanese people. We should be suspicious about any narrative about Taiwanese exceptionalism and Taiwanese nationalism coming from the United States. Taiwan should not expect succor from a potential Biden administration. Americans, despite all their hot and heavy talk about nuclear missiles and Beijing's totalitarian tactics, have done very little to help Taiwan gain legitimacy on the international stage and in international organizations: in fact, Trump's temper tantrum withdrawal from the World Health Organization makes him Taiwan's worst advocate in that context.

In today's trade wars against the behemoth in the East, the United States government conveniently forgets the fact that it embraced and facilitated the
practice of cheap labor-seeking on the part of multinational corporations. Taiwan, like South Korea and Japan, was the beneficiary of American economic largesse and rent seeking. While it worked in a synchronized manner to encourage the rapid global expansion of American multinational corporations during the post-World War II period of American hegemony, Taiwan also put in place currency controls and financial protections against the US that made it less vulnerable than South Korea to global financial crises. During the Cold War years, the Kuomintang accepted millions and millions of dollars of American aid, but it pursued its own social welfare agenda, including important rural land reforms outside of Taipei, the capital city, that were the continuation of its own social welfare, and even socialist, policies that it had begun on the mainland. By the 1980s, the Kuomintang was one of the wealthiest political parties in the world, in part because of US subsidy of the Taiwanese economy, but its relative independence from neoliberal ideology allowed it to pursue a form of globalized capitalism with distinctly Taiwanese characteristics.

For Leo Panitch and Sam Gindin, “The American state, in the very process of supporting the export of capital and the expansion of multinational corporations, increasingly took responsibility for creating the political and juridical conditions for the general extension and reproduction of capitalism internationally.” The United States invested heavily in Japan and South Korea and Taiwan while waging the Korean and Vietnam Wars. The enhancement of industrial capacity in East Asia was perfectly coordinated with the exportation of American-dominated capitalism, even as this policy would eviscerate the American working class. The decline of American industrial capacity or American deindustrialization has been attributed to technological “efficiencies” by IMF economists, but domestic deindustrialization actually extended the global reach of the American multinationals. The decline of heavy industry in the United States and the destruction of the livelihoods of unionized industrial workers in the American heartland is not a neutral, apolitical fact of inevitable technological progress: it was the product of political and economic policies. In fact, Taiwan’s transformation from agricultural economy to industrial/manufacturing economy in the early 1970s coincided with the first phases of American deindustrialization. The subsequent shrinking of Taiwan’s industrial base coincided with massive Taiwanese investment in factories in southern China after the Deng era reforms on the mainland. As Gindin and Panitch point out, “The first wave of foreign investors [in China], starting in the 1980s, had come from large Chinese business communities in Hong Kong, Taiwan, and Indonesia, and elsewhere in East Asia, launching China as an assembly hub for Asian production networks and giving it access to an internationalized bourgeoisie that Russia, for example, lacked.”

During the late eighties and early nineties, Taiwanese capital and Taiwanese know-how expanded into the People’s Republic of China following the logic of
globalization. Increasing its profit margins by squeezing labor costs and quelling domestic-worker unrest, Taiwanese entrepreneurs shuttered factories at home to rebuild them in Fujian and the Pearl River Delta. The formula of an export-driven, high-growth industrial economy built on low wages was pioneered in Taiwan and South Korea: the formula was simply perfected and scaled up by the People’s Republic of China. Double-digit annual growth allowed the bottom 90 percent of workers, even if they earned a pittance relative to workers in other industrialized countries, to feel as if they shared in new, national prosperity while the top 10 percent of supermanagers grew rich by making more and more money for a handful of oligarchs and their families. What industrialization and globalization brought to Taiwan was intense inequality and explosive growth, two sides of any developing economy’s integration into capitalism: Taiwan’s increasing inequality followed global trends, with urbanization and globalization producing rural-urban divides documented by Hou Hsiao-hsien’s early films. Dust in the Wind (1986), based on the experiences of Wu Nianzhen, Hou’s frequent collaborator, the film tells the story of two young people in Taiwan in the 1970s. Wan and Huen come from a remote mountainous town, Jiu Fen. Much of the drama of the film takes place in train stations and on trains that connect rural Taiwan to Taipei. In the opening scenes of the film, Wan and Huen are shown taking the train to and from high school.

The critical infrastructure of connection, the trains are maintained by a state eager to modernize the country. The two young protagonists participate in urbanization by taking up low-paying jobs in Taipei. Wan hates his work, but he is also a refusenik about academics and the college entrance exams. In the end, his inability or unwillingness to adapt to the punishing work discipline demanded by Taiwan’s economic growth, and his refusal to sit the college entrance exams, leave him an afflicted witness to a world in which he cannot find his place. Ill-suited for both modern city life and his home in the remote village where his grandfather still tends his plot of land, Wan cannot commit romantically to Huen either. His tragic story is told against a backdrop of a rapidly changing society, but one in which inequality and high rates of consumption had not yet become entrenched. Hou was able to capture the changing landscape of a rapidly changing country, with areas like Jiu Fen, the searingly beautiful mountain village, as a place Taiwan’s new prosperity was about to leave behind. Hou documents, with neorealist cinematic techniques, the painful transition from more or less egalitarian rural and agricultural economies to globalized, competitive, urban, consumerist modern economies, overseen by American popular culture and military power.

“The Bitter Truth: Why Asia’s Tigers Suffer and the Nordics Thrive,” a five-part series published by Justin Hugo (a pseudonym) in the News Lens, details the ways in which Taiwan is caught between two different economic and social models of growth and social equity: Singapore and Norway. While Taiwan has followed
Singapore’s explosive economic growth since 1950, its democratic, progressive leanings give it a path to social equity and a robust civil society that Singapore’s authoritarian ruling elite reject. Hugo then asks how Taiwan’s actual minimum wage of $749.00 a month compares with its GDP and shows that Taiwan’s ratio leaves it in the same category as Singapore and Hong Kong with high GDPs and miserably low wages. Under close scrutiny, Taiwan’s democracy looks less egalitarian and more corporate/Confucian authoritarian than its national public image under the DPP would like us to believe. High rates of work-related stress and extreme working hours also characterize the Taiwanese economy. According to CIA records, Taiwan’s GINI coefficient, measuring inequality at 33.6 (estimated 2014), is twelve points lower than that of the US at 45 (estimated 2007). The lower the GINI coefficient, the more equally distributed a society’s wealth. Perfect inequality in a country would allow it to score 100.

Despite the government’s claims that Taiwan is a middle-class society, independent scholars have reached very different conclusions while crunching Taiwan’s numbers. According to 2018 reports, over 50 percent of Taiwanese families survived on an income of less than $10,000 USD a year. Calculating for inflation, Chin-fen Chang showed that the majority of Taiwanese people earn below what the government designates as adequate income of $1,500 USD a month, with a substantial number of Taiwanese poor earning nothing at all, like Belly Button, Pickle and their trash gathering, homeless friends in *The Great Buddha+*. Huang shot the film in black and white, except for surveillance footage scenes when the two friends witness Kevin committing a crime for which he will not be punished. The gorgeous black-and-white imagery endows Belly Button and Pickle with a singular visual heroism, despite their powerlessness and their fear. Even with national health care, so many people are left behind: the cinematic aesthetics and politics of Hou Hsiao-hsien and Huang Hsin-yao are imbued with the kind of political conscience that good public infrastructure and robust public institutions can build. The KMT, it should be remembered, was a revolutionary party built on Leninism. Its unique accomplishment, the establishment of the NHI in the face of pressure from its political rivals, the Democratic Progressive Party, allowed for Taiwanese society to endure a pandemic with solidarity and a strong sense of mutual responsibility. The DPP’s commitment to social welfare and the public good will be tested in the years to come. Emulating Cold War America, however, is an ideological fever dream from which we hope Taiwan, along with the rest of the world, has been awakened.

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Thank you to Kelly Donahey who turned me on to *The Great Buddha+* when it was first released in 2017.
Notes


14 Gindin and Panitch, 296.


17 Chin-fen Chang, “Economic Inequality and Low Wages in Taiwan,” *Taiwan Insight: The On-Line Magazine of the Taiwan Studies Program*, University of Nottingham, December 21, 2018, https://taiwaninsight.org/2018/12/21/economic-inequality-and-low-wages-in-taiwan/#:~:text=More%20than%20half%20of%20Taiwanese,had%20no%20income%20at%20all.&text=And%20the%20median%20earnings%20were,earned%20less%20than%20NTD%2040%20%20 (accessed August 27, 2020).